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December 3, 1999

BY HAND DELIVERY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
Washington, D.C. 20554

Re: Docket No. 99-301

Dear Ms. Salas:

On behalf of Prism Communication Services, Inc., we are submitting herewith an original and four (4) copies of its comments in the above-referenced proceeding.

Any questions regarding this matter should be directed to the undersigned counsel.

Sincerely,

Julie A. Kaminski
Deputy Chief Counsel - Telecommunications

/mjs
Attachments

cc: Attached service list

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**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)

Local Competition and Broadband Reporting)

CC Docket No. 99-301

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COMMENTS OF PRISM COMMUNICATION SERVICES, INC.

Respectfully submitted,

PRISM COMMUNICATION SERVICES, INC.

Randall B. Lowe, Chief Legal Officer

Julie A. Kaminski, Deputy Chief Counsel

– Telecommunications

Renée R. Crittendon, Deputy Chief Counsel

– Telecommunications

December 3, 1999

SUMMARY OF THE ARGUMENT

Prism believes that the reporting regime set forth in the NPRM will have a disproportionately onerous effect on small competitive carriers, particularly small broadband service providers, thereby impeding the ability of such carriers to fulfill the promises of the 96 Act. While Prism recognizes and acknowledges the Commission's need to have information pertaining to the level of local services competition, Prism believes that the Commission may obtain this information through means less intrusive than the reporting requirements proposed in the NPRM. Competitive carriers are already inundated with regulatory reporting requirements. Adding yet more reporting requirements will only hamper these carriers' ability to enter and compete in the marketplace. In the event the Commission decides to implement the reporting requirements described in the NPRM, Prism suggests that the threshold for triggering the reporting requirements for broadband service providers be increased, to alleviate the burden on small broadband service providers seeking to enter and compete in the marketplace.

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	CC Docket No. 99-301
Local Competition and Broadband Reporting)	

COMMENTS OF PRISM COMMUNICATION SERVICES, INC.

Prism Communication Services, Inc. ("Prism") hereby submits its Comments on the Notice of Proposed Rulemaking in the above-referenced docket regarding the Commission's proposed rules to collect information on the status of local telephone service competition and the deployment of advanced telecommunications capability.¹ In the NPRM, the Commission proposes and seeks comment on a reporting regime intended to provide the Commission with information on the development of local competition and, more particularly, the level of deployment of advanced telecommunications capability, or broadband services.

The Commission proposes to require all types of communications carriers with 50,000 or more local access lines or subscribers nationwide to file a report with the Commission describing the types of lines and the customers provisioned over the lines. In addition, the Commission proposes to require communications carriers that provide at least 1,000 full broadband service lines (or wireless channels) or have at least 1,000 full broadband subscribers to file the report with the Commission regardless of whether such carriers meet the criterion for reporting local competition data (*i.e.*, at least 50,000

¹ In the Matter of Local Competition and Broadband Reporting, CC Docket No. 99-301, *Notice of Proposed Rulemaking*, FCC 99-283 (rel. October 22, 1999) ("NPRM").

nationwide local access lines or telephony subscribers).² Thus, the reporting threshold for advanced services providers is much lower than that for other competitive carriers. The Commission proposes that this data be submitted quarterly, on a state-by-state basis.³

The Commission's stated reasons for seeking the information are two-fold: first, to evaluate the effectiveness of actions the Commission and the states are taking to promote local competition and, second, "to avoid 'one size fits all' regulation of incumbent local exchange carriers and others" and, specifically, "to reduce regulation wherever we can pursuant to sections 10 and 11 of the Act."⁴ Prism recognizes and acknowledges the need for the Commission to keep abreast of the level of local service competition and the deployment of broadband deployment. However, Prism opposes the reporting requirements proposed by the Commission as they will result in a disproportionate burden on smaller, start-up companies such as Prism -- the very companies that the Commission should be freeing up to compete in the marketplace.

Prism is an advanced telecommunications service provider. Accordingly, pursuant to the NPRM, Prism would be subject to the reporting requirements at such time that it has 1,000 customers. Prism submits that this low threshold guts the Commission's intention to exempt, or reduce the burdens on, small carriers. Small carriers may have only 1,000 customers, but they would be subject to the same reporting requirements as

² NPRM at ¶ 31.

³ NPRM at ¶¶ 35; 46-49.

⁴ NPRM at ¶¶ 2, 3. Section 10(b) of the Act requires the Commission to "consider whether forbearance from enforcing the provision of regulation will promote competitive market conditions, including the extent to which such forbearance will enhance competition among providers of telecommunications services." 47 U.S.C. §§ 160, 161. Section 11 requires the Commission to "determine whether any ... regulation is no longer necessary in the public interest as the result of meaningful economic competition between providers of such services. 47 U.S.C. § 161(a)(2).

larger carriers. Stated differently, a company with 1,000 customers, which Prism expects to have in the near future, would have the same reporting requirements as an incumbent LEC, which clearly has greater resources to apply to meeting the reporting requirements.

Broadband carriers such as Prism should be out trying to enter the market and fulfill the promises of the 96 Act, not filing reports with the Commission. Indeed, imposing additional burdens on small advanced telecommunications companies runs counter to the Commission's statutory mandate to "encourage the deployment of advanced telecommunications services."⁵

Competitive carriers, considered to be, in large part, unregulated, are already inundated with reporting requirements. As noted by the Commission in the NPRM, various states have implemented local competition reporting requirements.⁶ Moreover, in the NPRM, the Commission states that the information collection proposed therein would not be the only data the Commission would use to complete its report of Congress on the status of broadband deployment.⁷ The Commission also plans to issue a Notice of Inquiry, as it did last year, to seek comment from interested parties on the state of broadband capability and deployment. Accordingly, a carrier like Prism would be compelled to respond to the NOI in addition to filing the requisite reports. Just a few weeks ago, the Commission issued a Public Notice requesting comment on a joint submission filed by the administrators for long-term local number portability, numbering

⁵ Pub.L. 104-104, Title VII, § 706, Feb. 8, 1996, 110 Stat. 153, reproduced in notes under 47 U.S.C. § 157. Section 706 requires the Commission to "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans."

⁶ NPRM at ¶ 15.

⁷ NPRM at ¶ 2. The Report to Congress emanates from Section 706 of the Act, as described in footnote 5.

administration, telecommunications relay services and universal support mechanisms proposing procedures for gathering data from telecommunications carriers and other entities through a recently adopted Telecommunications Reporting Worksheet.⁸

Competitive carriers also have a myriad of state reporting requirements with which they must comply. Through the NPRM, the Commission seeks to add another to the already long list of reporting requirements.

Prism believes that there are less onerous means by which the Commission can obtain information as to the level of local telephone service competition and the deployment of advanced telecommunications capability. Public resources, including industry publications, are widely available and disseminate the types of information sought by the Commission. This information is available, without requiring carriers to incur the costs and expend the resources necessary to file reports.

Notably, carriers such as Prism should not be required to file reports, which may primarily be used to benefit the incumbent LECs. As previously noted, one of the stated reasons for the reporting requirements is “to avoid ‘one size fits all’ regulation of incumbent local exchange carriers and others” and, specifically, “to reduce regulation wherever we can pursuant to sections 10 and 11 of the Act.”⁹ It is not appropriate to require competitive carriers like Prism to meet the burden of filing reports, which may

⁸ Common Carrier Bureau Seeks Comment on Joint Submission of Program Administrators Regarding Consolidated Data Collection Procedures and Cost Allocation Methodology, *Public Notice*, CC Docket No. 98-171, DA 99-2334 (re. October 27, 1999).

⁹ NPRM at ¶¶ 2, 3. Section 10(b) of the Act requires the Commission to “consider whether forbearance from enforcing the provision of regulation will promote competitive market conditions, including the extent to which such forbearance will enhance competition among providers of telecommunications services.” 47 U.S.C. §§ 160, 161. Section 11 requires the Commission to “determine whether any ... regulation is no longer necessary in the public interest as the result of meaningful economic competition between providers of such services.” 47 U.S.C. § 161(a)(2).

be used as a basis to provide incumbent LECs with regulatory relief and further thwart the competitive carrier's ability to compete in the marketplace.

Prism therefore opposes the Commission's proposed reporting requirements. To the extent that the Commission rules in favor of the reporting requirements, Prism submits that the 1,000-line threshold to trigger broadband reporting requirements should increase in order to avoid over-burdening small broadband service providers. Broadband carriers should be subject only to the same requirements as other competitive carriers.

Conclusion

For the foregoing reasons, Prism respectfully requests that the Commission refrain from imposing the proposed reporting requirements related to the status of local telephone service competition and deployment of broadband services or, at minimum, raise the threshold which triggers the reporting requirement for carriers deploying broadband services. That is, the Commission should allow the competitive carriers to compete without being bogged down in a morass of regulatory filing requirements.

Respectfully submitted,

PRISM COMMUNICATION SERVICES, INC.

By: Julie A. Kaminski
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Julie A. Kaminski, Deputy Chief Counsel
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Renée R. Crittendon, Deputy Chief Counsel
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December 3, 1999

CERTIFICATE OF SERVICE

I, Jane L. Hall, hereby certify that a true and correct copy of the Comments of Prism Communication Services, Inc. in CC Docket No. 99-301 was hand delivered to the following individuals, this 3rd day of December, 1999.

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Jane L. Hall